

CHAPTER 104 AMUSEMENT DEVICES

481—104.1(10A,99B) Definitions. Definitions in rule 481—100.1(10A,99B) are incorporated by reference in this chapter.

The following definitions apply to the possession and use of amusement devices.

“Amusement device” means an electrical or mechanical device possessed and used in accordance with Iowa Code section 99B.10. An amusement device is neither a game of skill or chance as defined in Iowa Code section 99B.1, nor a gambling device. Roulette wheels, slot machines, and other devices specified in Iowa Code section 725.9 as gambling devices are not amusement devices.

“Gambling device” means a device possessed or used or designed to be used for gambling and includes, but is not limited to: roulette wheels, klondike tables, punchboards, faro layouts, keno layouts, numbers tickets, slot machines, push cards, jar tickets, pull-tabs, and video machines or other devices that do not comply with Iowa Code section 99B.10.

“Knock-off switch” means a mechanism or other method that releases free games or credits accumulated toward the award of merchandise.

**“Prize”* means a ticket(s) or token(s) that is dispensed by an amusement device as an award for use and that is worth up to \$5 in merchandise.

“Slot machine” means a mechanical, electronic, or video gambling device into which a player deposits coins, tokens or currency and from which certain credits, tickets, tokens or coins are paid out when a particular, random configuration of symbols appears on the reels, simulated reels, or screen of the device. The slot machine may have a lever, buttons, or other means to activate or stop the play.

481—104.2(99B) Device restrictions. An electrical or mechanical amusement device may be owned, possessed, or offered for use by any person at any location, but only if the amusement device complies with all of the following:

1. The device must be electrical, which includes both electronic and video, or mechanical, or a combination of both.
2. The device shall not be designed or adapted to issue or pay coins or currency.
3. The device may be designed or adapted to award free games without additional consideration.
4. The device may be designed or adapted to award merchandise not to exceed a retail value of more than \$5 per play or game.
5. The device may be designed or adapted to issue tickets or tokens, but not coins or currency. However, the device shall not be designed or adapted to issue tickets or tokens that may be used to play any device or game.
6. The device shall not have a “knock-off” switch to release either free games or credits awarded by the device. However, credits may be released by the insertion of coins, currency, or tokens to activate a new game. Free games may only be utilized for playing the device and may not be released in any other manner.
7. The device shall not be capable of being altered to enable a person using the device to increase or decrease the chances to win a game or other prize by paying more than is ordinarily required to play the game.
8. The device must be designed or adapted to accept only coins, currency, or tokens to play the game. However, the device shall not be designed or adapted to accept tokens that have been awarded as a prize.

481—104.3(99B) Prohibited games/devices. The following games or devices are not permitted:

1. Devices that pay coins or currency.
2. Gambling games permitted in Iowa Code chapter 99F, such as slot machines and roulette wheels, or any similar device.
3. Any machine that does not conform to the requirements in these rules or Iowa Code section 99B.10.
4. Any machine designed or resembling a machine which is normally used for casino-type gambling.
- *5. Amusement devices designed or adapted to facilitate gambling.

NOTE: This rule does not prohibit the possession of antique slot machines when possessed pursuant to Iowa Code chapter 725.

481—104.4(99B) Prizes. Prizes may be awarded for use of an amusement device.

104.4(1) Merchandise with a retail value of no more than \$5 may be awarded.

104.4(2) One or more free games may be awarded by the device.

104.4(3) If the device is designed or adapted to issue tickets or tokens, the following apply:

- a. Tickets or tokens awarded by an amusement device shall not be used to purchase or play a game.
- b. Tickets or tokens shall not be redeemed for coins or currency.
- c. Tickets or tokens may be redeemed for merchandise if the retail value of the merchandise does not exceed \$5.
- d. Tickets or tokens may be accumulated to purchase merchandise not greater than \$5 in retail value.
- e. Tickets or tokens may be redeemed for food and beverage if the combined value of the food and beverage does not exceed \$5.
- *f. If the entire amount of the ticket or token issued by the amusement device is not redeemed for merchandise, the balance shall not be redeemed for cash.
- *g. Tickets or tokens shall only be redeemed on the premises where the amusement device is located and only for merchandise sold in the normal course of business on the premises.

481—104.5(99B) License not required. A gambling license issued pursuant to Iowa Code chapter 99B is not required to own, possess, or offer an amusement device for use.

481—104.6(99B) Violations. Failure to comply with the limitations imposed on the use and possession of amusement devices in Iowa Code section 99B.10 constitutes unlawful gambling which may result in the following:

- *1. Conviction for illegal gambling under the provisions of Iowa Code chapter 725.
 2. Suspension or revocation of a wine or beer permit or of a liquor license under the provisions of Iowa Code chapter 123.
 3. Forfeiture of property under the provisions of Iowa Code chapter 809.
- These rules are intended to implement Iowa Code section 99B.10.

[Filed emergency 12/2/92 after Notice 10/28/92—published 12/23/92, effective 12/2/92]

[Filed 12/17/03, Notice 10/29/03—published 1/7/04, effective 2/11/04*]

*February 11, 2004, effective date of 104.1, definition of “prize,” 104.3“5,” 104.4(3)“f” and “g,” and 104.6“1” delayed 70 days by the Administrative Rules Review Committee at its meeting held February 9, 2004.